

## Message Text

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PAGE 01 THE HA 02264 171549 Z

50

ACTION EB-11

INFO OCT-01 AF-10 ARA-11 EUR-25 EA-11 NEA-10 ADP-00 AID-20

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00

XMB-07 OPIC-12 CIEP-02 LAB-06 SIL-01 OMB-01 JUSE-00

L-03 H-02 NSC-10 SS-15 STR-08 CEA-02 RSR-01 /182 W

----- 091054

R 171415 Z MAY 73

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 1317

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRASILIA

AMEMBASSY BRUSSELS

AMEMBASSY BUENOS AIRES

AMEMBASSY CANBERRA

AMCONSUL CAPE TOWN

AMEMBASSY CARACAS

AMCONSUL JOHANNESBURG

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY MEXICO

AMEMBASSY NEW DELHI

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY PRETORIA

AMEMBASSY ROME

AMCONSUL SAO PAULO

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY VIENNA

USMISSION EC BRUSSELS

USMISSION NATO

USMISSION OECD PARIS

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PAGE 02 THE HA 02264 171549 Z

DEPT PASS USDOC

E. O. 11652: N/ A

TAGS: ETRD UK FR GW IT BE SW SZ AU SP CA MX VE BR AR JA IN AS SF

NATO EEC OECD

SUBJECT: ANTITRUST CASE U. S. VS. IBM

REF STATE 69913

1. FOLLOWING NUMBERED PARAGRAPHS ARE KEYED TO NUMBERED QUESTIONS  
POSED REFTEL.

2. ACCORDING TO A LOCAL CREDIT SOURCE, IBM NEDERLAND NV. IS  
REGISTERED LIMITED LIABILITY COMPANY. IT IS WHOLLY- OWNED  
SUBSIDIARY OF IBM WORLD TRADE, NEW YORK, EUROPEAN HEADQUARTERS OF  
WHICH ARE IN PARIS. CHIEF EXECUTIVE OFFICER IS E. VAN DER KRUK,  
OTHERS ARE: L. DE JONG, A. J. MERKX, F. PH. MOLHOEK AND F. A. G.  
KRAAK. AUTHORIZED AND PAID IN CAPITAL DFL. 5,000,000; NET WORTH  
DFL. 274,000,000; ANNUAL SALES 1972 DFL. 471,000,000. HEAD OFFICE  
IS LOCATED AT 257 JOHAN HUIZINGALAAN, AMSTERDAM; FACTORIES AT  
259 JOHAN HUIZINGALAAN AND 53 SPARKLERWEG, AMSTERDAM. OTHER  
ESTABLISHMENTS INCLUDE LANGUAGE DEVELOPMENT LABORATORY IN  
UITHOORN, MATHEMATICS CENTER IN RIJSWIJK, PLUS TRAINING AND TEST  
CENTER, SCIENTIFIC CENTER, AND EQUIPMENT SERVICING CENTER ALL IN  
AMSTERDAM. ONE SERVICE BUREAU IS LOCATED IN AMSTERDAM, ANOTHER AT  
SCHIPHOL EAST. SALES OFFICES ARE LOCATED IN ROTTERDAM, ARNHEM,  
EINDHOVEN, HENGELLO, UTRECHT, RIJSWIJK AND THE HAGUE. IBM EMPLOYS  
APPROXIMATELY 5,000 PERSONS IN THE NETHERLANDS.

3. ACCORDING TO RECENT SURVEY OF COMPUTER MARKET PREPARED BY A  
LEADING RESEARCH FIRM IN THIS FIELD, MARKET SHARES BY SALES VALUE  
ARE: IBM 50 PERCENT, HONEYWELL BULL 22 PERCENT, PHILIPS 12 PERCENT  
AND UNIVAC 8 PERCENT.

4. IMPORTS/ EXPORTS: ALL IDENTIFIABLE COMPUTER AND RELATED  
CLASSIFICATIONS ARE INCLUDED IN FOLLOWING DATA WHICH ARE GIVEN  
IN THOUSANDS OF DUTCH GUILDERS. 1972 DATA ARE FOR 11 MONTHS. DATA  
THROUGH 1970 INCLUDE TRADE WITH BELGIUM/ LUXEMBOURG, THEREAFTER  
EXCLUDED. 1972 DATA NOT EXACTLY COMPARABLE TO PRIOR DATA BECAUSE  
OF  
CLASSIFICATION CHANGES IN THAT YEAR. SINCE ONLY MAJOR SOURCE/  
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PAGE 03 THE HA 02264 171549 Z

DESTINATION DATA BROKEN OUT, SUCH DATA DO NOT ADD TO TOTALS AND  
SHOULD BE TREATED AS ILLUSTRATIVE FOR DESTINATIONS.

A) IMPORTS 1968 1969 1970 1971 1972 (11 MOS.)  
( X1000 GLDRS)

TOTALS	114,142	127,333	213,152	198,647	285,299
U. S. A.	31,536	36,601	70,692	54,482	71,825
W. GER.	18,854	23,244	43,025	43,305	77,348
ITALY	16,753	17,065	23,632	27,036	23,818
FRANCE	25,623	17,198	18,544	20,418	55,469
U. K.	12,634	20,221	-----	25,041	34,543

## B) EXPORTS 1968 1969 1970 1971 1972 (11 MOS.)

( X1000 GLDRS)

TOTALS	15,831	17,820	14,307	28,190	46,780
U. S. A.	466	1,744	748	869	2,363
W. GER.	4,371	4,186	2,294	16,131	19,805
ITALY	-----	893	-----	1,489	8,071
FRANCE	4,530	7,058	5,129	-----	7,813
U. K.	2,095	1,270	2,602	1,390	

C) COMPUTERS AND RELATED EQUIPMENT ARE SUBJECT TO EEC COMMON EXTERNAL TARIFF. WE ARE NOT AWARE OF ANY NON- TARIFF BARRIERS OF REGULATORY NATURE.

5. POLICY: THERE ARE NO PUBLICLY- STATED DUTCH GOVERNMENT PROCUREMENT POLICIES-- NOR IS THERE LEGISLATION -- FAVORING LOCAL COMPUTER PRODUCERS. UNOFFICIALLY, PROCUREMENT OFFICIALS HAVE BEEN TOLD TO FAVOR DUTCH- OWNED PHILIPS WHEN COMPETITIVE, BUT RANDOM CHECK OF GOVERNMENT COMPUTER INSTALLATIONS SHOWS PHILIPS SUPPLYING VERY SMALL SHARE OF INSTALLED MACHINES IN CONTRAST TO U. S. SUPPLIES, INCLUDING IBM. EFFECTS OF OTHER FORMS OF GOVERNMENT FAVOR, SUCH AS INVESTMENT INCENTIVES, TO LOCAL PRODUCERS ARE TOO OBSCURE FOR US TO ASSESS IN TERMS OF COMPUTER INDUSTRY. GON DOES NOT SUPPORT OR PROTECT THE LOCAL COMPUTER INDUSTRY, AS AN INDUSTRY, NOR HAS IT STIMULATED ITS GROWTH IN ORDER TO ASSURE INDIGENOUS TECHNOLOGICAL BASE IN THIS FIELD.

## 6. REACTIONS:

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PAGE 04 THE HA 02264 171549

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\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:**  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 MAY 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** boyleja  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973THEHA02264  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** n/a  
**Errors:** n/a  
**Film Number:** n/a  
**From:** THE HAGUE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730549/aaaajmec.tel  
**Line Count:** 154  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 STATE 69913  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** boyleja  
**Review Comment:** n/a  
**Review Content Flags:** ANOMALY  
**Review Date:** 09 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09-Aug-2001 by shawdg>; APPROVED <11-Sep-2001 by boyleja>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> gwr 980224  
**Subject:** ANTITRUST CASE U. S. VS. IBM REF STATE 69913  
**TAGS:** ETRD, AU, BE, CA, FR, GW, IT, MX, SP, SW, SZ, UK, EEC, IBM, NATO, OECD  
**To:** BERN  
BONN  
BRASILIA  
BRUSSELS  
BUENOS AIRES  
CANBERRA  
CAPE TOWN

EB

SECSTATE WASHDC

**Type:** TE

**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005